Ameri-Can Agri Co. Inc.

Condensed Consolidated Interim Financial Statement

Form October 17, 2014 (the Incorporation Date) to

the Period Ended March 31, 2015

(Unaudited)

(Expressed in Canadian Dollars)

NOTICE TO READER

Under National Instrument 51-102, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements have been prepared by management, and were not reviewed by the Company's independent auditor.

Ameri-Can Agri Co. Inc.
Condensed consolidated interim statements of financial position
(Unaudited - Expressed in Canadian Dollars)

	Note	March 31, 2015	October 17, 2014
		$	$
Assets			
Current assets			
Cash		994,245	1
Other receivable	6	285,615	-
		1,279,860	1
Non-current			
Properties	5	12,101,096	-
Total assets		**13,380,956**	**1**
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities	8	812,675	-
Due to related party	9	528,405	-
		1,341,080	-
Non-current liabilities			
Debenture	9	7,051,914	-
Note payable	7	209,055	-
Total liabilities		8,602,049	-
Shareholders' equity			
Share capital	4	1,326,246	1
Reserves	4	1,466,650	-
Deficit		(158,284)	-
Equity attributed to shareholders		2,634,612	1
Non-controlling interests	2,3,5	2,144,295	-
Total Equity		4,778,907	1
Total liabilities and shareholders' equity		**13,380,956**	**1**

Nature of operations and going concern (Note 1)

Approved and authorized for issuance by the Board of Directors on May 29, 2015

"Rajen Janda"
Director

"Lucky Janda"
Director

See accompanying notes to the condensed consolidated interim financial statements

Ameri-Can Agri Co. Inc.

Condensed consolidated interim statements of comprehensive loss

(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended March 31, 2015	From October 17, 2014 to March 31, 2015
		$	$
Rental income	5	94,245	94,245
Rental expenses		7,446	7,446
Net Rental income		86,799	86,799
Expenses			
Amortization		18,450	18,450
Consulting		35,300	35,300
Office and administration		5,645	5,645
Professional and consulting fees		7,300	7,300
Trust and filing fees		2,090	2,090
Total operating expenses		68,785	68,785
Income (loss) before the others:		18,014	18,014
Interest expenses-debenture		176,298	176,298
Net loss		(158,284)	(158,284)
Other comprehensive loss:			
Translation gain		878,636	878,636
Comprehensive loss		720,352	720,352
Net income (loss) attributable to:			
Equity holders of the Company		(158,284)	(158,284)
Non-controlling interests		–	–
		(158,284)	(158,284)
Other comprehensive income attributable to:			
Equity holders of the Company		716,650	716,650
Non-controlling interests		161,986	161,986
		878,636	878,636
Comprehensive income (loss) attributable to:			
Equity holders of the Company		558,366	558,366
Non-controlling interests		161,986	161,986
		720,352	720,352
Loss per share attributable to the equity holders of the Company			
Loss per share, basic and diluted		(0.02)	(0.03)
Weighted average number of outstanding shares, basic and diluted		10,143,705	5,466,667

See accompanying notes to the condensed consolidated interim financial statements

Ameri-Can Agri Co. Inc.
Condensed consolidated interim statements of changes in equity
From October 17, 2014, date of incorporation to period ended March 31, 2015
(Unaudited - Expressed in Canadian Dollars except for number of shares)

		Common shares		Reserve					
	Note	**Number**	**Amount**	**Translation gain (loss)**	**Warrant**	**Retained earnings**	**Equity attributed to the equity holders of the Company**	**Non-controlling interests**	**Total equity**
October 17, 2014, date of inception		1	1	-	-	-	1	-	1
Completion of the Arrangement	**2**	30,646,671	576,245	-	-	-	576,245	1,982,462	2,558,707
Unit issuance - for cash	**4**	15,000,000	750,000	-	750,000	-	1,500,000	-	1,500,000
Translation from subsidiaries		-	-	716,650	-	-	716,650	161,986	878,636
Net loss		-	-	-	-	(158,284)	(158,284)	-	(158,284)
March 31, 2015		**45,646,672**	**1,326,246**	**716,650**	**750,000**	**(158,284)**	**2,634,612**	**2,144,295**	**4,779,060**

See accompanying notes to the condensed consolidated interim financial statements

Ameri-Can Agri Co. Inc.

Condensed consolidated interim statements of cash flows

(Unaudited - Expressed in Canadian Dollars)

	Three months ended March 31, 2015	From October 17, 2014 to March 31, 2015
Cash (used in) provided by:	$	$
Operating activities		
Income (loss) for the period	(158,284)	(158,284)
Items not involving cash :		-
Amortization	18,450	18,450
Changes in non-cash operating working capital		-
Due to related party	350,000	350,000
Other receivables and prepaid	1,916	1,916
Accounts payable and accrued liabilities	150,586	150,586
Cash provided by (used in) operating activities	362,668	362,668
Investing activities		
Acquisition of cash- Arrangement	47,951	47,951
Addition of properties and defered cost	(919,638)	(919,638)
Cash used in investing activities	(871,687)	(871,687)
Financing activities		
Issuance of shares for cash	1,500,000	1,500,000
Addition of properties and defered cost	–	-
Cash provided by financing activities	1,500,000	1,500,000
Effect of holding cash in foreign currency	3,264	3,264
Increase of cash	994,245	994,245
Cash, beginning of period	-	-
Cash, end of period	994,245	994,245
Supplementary information:		
Cash paid for interest	2,046	1,730
Cash paid for income taxes	–	–

See accompanying notes to the condensed consolidated interim financial statements

(Unaudited - Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Ameri-Can Agri Co. Inc. (the "Company") was incorporated on October 17, 2014 in British Columbia as the wholly owned subsidiary of Acana Capital Corp. ("Acana"). The Company's principal activity is the acquisition and development of real estate and farming properties. The Company's head office is located at Suite 200 – 8338 120th Street, Surrey, BC, V3W 3N4. On March 11, 2015, the Company spun out from Acana and the Company's shares commenced trading on Canadian Securities Exchange ("CSE") under the symbol ACM (Note 2).

Going concern

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As at March 31, 2015 the Company is not able to finance its day to day activities through operations. The Company's continuation as a going concern is dependent whether the Company can be developed into a viable business and continued support from the Company's related persons. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its interim statement of financial position.

2. CORPORATE RESTURCTING

The Company and its former parent company, Acana, entered into a plan of arrangement in order to proceed with a corporate restructuring (the "Arrangement") by the way of a statutory plan of arrangement, whereby Acana would transfer the ownership of two wholly owned subsidiaries and 50% interest in a limited liability formed in the U.S.A. ("US Interest'), to Ameri-Can in return for 30,646.672 common shares of Ameri-Can ("Ameri-can Shares"). Ameri-can Shares would be distributed to the shareholders of Acana on a pro-rata basis based on their relative shareholdings of Acana after the completion of the Arrangement. Ameri-Can would concurrently seek to list its shares on the CSE. Upon the completion of the Arrangement, Ameri-Can will no longer be subsidiaries of the Company.

On January 1, 2015, Acana effectively transferred the following assets and liabilities to the Company through the transfer of the US Interest according to the Arrangement:

	$
Assets acquired by Ameri-can	
Cash	47,951
Other receivable *(Note 6)*	260,345
Properties to Ameri-can *(Note 5)*	9,733,513
Liabilities assumed by Ameri-can	
Accounts payable and accrued liabilities	(75,622)
Debenture *(Note 9)*	(7,051,914)
Due to related parties (Note 9)	(163,719)
Note payable (*Note 7)*	(191,846)
Interest held by minority interest	(1,982,462)
Net assets acquired by Ameri-can	576,246

2. CORPORATE RESTURCTING (Continued)

The Arrangement received the approval from the BC Supreme Court, the Company's shareholders, and final approval from the CSE in March 2015. The Arrangement completed on March 11, 2015 when the Company's common shares commenced trading on the CSE.

3. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These condensed consolidated interim financial statements period ended March 31. 2015, together with the comparative figures herein have been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Accordingly, certain disclosures required in annual financial statements have been condensed or omitted. These condensed interim financial statements are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since October 17, 2014, the date of incorporation.

Basis of preparation

These consolidated financial statements have been prepared on an accrual basis and are based on historical costs, except for financial instruments measured at their fair value, and are presented in Canadian dollars, unless otherwise noted.

These consolidated financial statements incorporate the accounts of the Company and its controlled subsidiaries:

Name	Country of incorporation/formation	Ownership percentage
* JDLP LLP	USA	50%
Ameri-Can Agri Co.	USA	100%
Acana Capital LLC.	USA	100%

* *The Company has control over the partnership; therefore, it is consolidated resulting in non-controlling interests being recorded in the consolidated statements of financial position.*

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

Significant estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates where there is significant risk of material adjustments to assets and liabilities in future accounting periods include fair value measurements for financial instruments and share-based transactions, the recoverability and measurement of deferred tax assets and the fair value of the properties.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements is the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

Loss per share

Basic loss per share is computed by dividing net loss attributable to common shareholders by the weighted average number of shares outstanding in the period. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

Financial instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale and financial liabilities. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Fair value through profit or loss ("FVTPL") - Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. They are subsequently measured at fair value with changes in fair value recognized in profit or loss. The Company does not have fair value through profit or loss financial assets.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company has designated its cash and other receivable as loan and receivables.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities and that the Company intends to hold to maturity. These assets are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. The Company does not hold any held-to-maturity financial assets.

Available-for-sale – These consist of non-derivative financial assets that are designated as available-for sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets to the extent they are expected to be realized within 12 months after the end of the reporting period. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary financial assets. The Company does not hold any available-for-sale financial assets.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (continued)

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost. Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the group commits to purchase the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

The Company does not have any derivative financial assets and liabilities.

Functional currency and foreign currency translation

The functional currency of each entity is measured using the currency of the primary economic environment in which that entity operates. These condensed consolidated interim financial statements are presented in Canadian dollars which is the parent company's functional and presentation currency. The functional currency of all of the Company's US subsidiaries is the US dollar

Transactions and balances:

Foreign currency transactions will be translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of comprehensive income in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.Foreign operations:

The financial results and position of foreign operations whose functional currency is different from the Company's presentation currency will be translated as follows:

- assets and liabilities are translated at period-end exchange rates prevailing at that reporting date; and
- income and expenses are translated at average exchange rates for the period.

Exchange differences arising on translation of foreign operations are recorded to the Company's other comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Properties

Recognition and measurement

Properties are comprised of real estate projects which are developed, to be developed, or are in development. The Company capitalizes the acquisition and development costs of its real estate projects. No amortization is taken before the real estate project is ready for use and leased.

Gains and losses on disposal of the properties are recognized on a net basis within other income in the consolidated statements of comprehensive loss.

Depreciation

The Company started to depreciate the Company's properties once they are available for use at the following rates:

- 39 years straight line for commercial real properties

Impairment of assets

The carrying amount of the Company's assets (which include the properties) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of income and comprehensive income.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Revenue Recognition

Rental income is recognized when:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the lease will flow to the Company;
- the stage of completion of the lease at the end of the reporting period can be measured reliably; and
- the costs incurred for and to complete the lease can be measured reliably.

Warrants

Proceeds from issuances of security units by the Company consisting of shares and warrants are allocated based on the residual method. The fair value of the warrants is determined to be the difference between gross proceeds over the estimated fair market value of the shares. If the proceeds from the offering are less than or equal to the estimated fair market value of shares issued, a fair value of $Nil is assigned to the warrants.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Accounting standards issued but not yet applied

The following new standards, amendments and interpretations that have not been early adopted in these consolidated financial statements, is not expected to have a material effect on the Company's future results and financial position: IFRS 9 Financial Instruments (new; to replace IAS 39 and IFRIC 9); and Amendments to IAS 32 Financial Instruments: Presentation.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

(Unaudited - Expressed in Canadian dollars)

4. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.
Unlimited number of preferred shares without par value.

Common shares - Issued and outstanding

The Company issued the following shares during the period ended March 31, 2015.

30,646,672 common shares were issued to Acana upon the completion of the Arrangement.

The Company completed a private placement for the issuance of 15,000,000 units for gross proceeds of $1,500,000 ($0.10/unit.). Each unit is comprised of one common share and one share purchase warrants of the Company. Each share purchase warrant can be exercised into one common share at $0.1/share until February 7, 2017. 10,500,000 common shares issued from this private placement are under escrowed and will be released as follow: 25% on March 11, 2015, 25% on September 11, 2015, 25% on March 11, 2016, and 25% on September 11, 2016.

The Company applied residual method and allocate $750,000 to the Company's reserve –warrant to account for the issuance of the 15,000,000 share purchase warrants.

As at March 31, 2015, the Company had 45,646,672 shares issued and outstanding, of which 7,875,000 were under escrowed.

Warrant reserve

The warrant reserve records the fair values of share purchase warrants issued until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital.

Foreign currency translation reserve

The foreign currency translation reserve records unrealized exchange differences arising on translation of foreign operations that have a functional currency other than the Company's reporting currency.

5. PROPERTIES AND COMMITTMENT

All of the properties were transferred from Acana in accordance with the Arrangement on January 1, 2015 (Note 2). Continuity is as follows:

	January 1, 2015	Additions	Accumulated Amortization	Effect of foreign exchange	March 31, 2015
	$	$	$	$	$
106 Glenn	710,530	756,637	-	63,739	1,530,906
860 Corning	3,253,730	756,637	-	291,876	4,302,243
Vineyard Plaza	2,751,402		-	246,814	2,998,216
Bader Road Lot	321,325	-	-	28,824	350,149
Tuscon Building	2,696,526	-	(18,836)	241,892	2,919,582
Total Properties	9,733,513	1,513,274.00	(18,836)	873,145	12,101,096

(Unaudited - Expressed in Canadian dollars)

5. PROPERTIES AND COMMITMENT (Continued)

106 Glenn: this is 106 acres of farm land in Corning, California, USA. The Company, before the completion of the Arrangement, owned 50% interest through its 50% owned limited liability partnership JDLP.

860 Corning: this is a piece (800 acres) of farm land in Corning, California, USA. The Company, before the completion of the Arrangement, owned 50% interest through its 50% owned limited liability partnership JDLP. 106 Glenn and 860 Corning are adjacent to each other (collectively the "Corning Properties").

The Company, through JDLP, entered into an agreement with a farm property contractor in the USA (the "Contractor") to plant walnut orchard over an area of approximately 350 acres on the Corning Properties at an estimated cost of USD$ 2,300,000. As at March 31, 2015, the Company has paid and accrued farming expenditure totalling $1,513,274 (USD$1,194,396 equivalent). It is expected the remaining farming cost to be incurred in the next twelve months.

Vineyard Plaza: this is a piece of commercial land located in Sacramento County, California, USA, and is intended for commercial buildings development.

Bader Road Lot: this is a piece of vacant land located in Elk Grove, California, USA which is intended for multi-family residential development

Tuscon Building: this is an industrial building located in 5575 S Houghton St., Tuscon, Arizona. This property is leased out the for three years commencing January 1, 2015 to December 31, 2017 for US$20,000 per month.

6. OTHER RECEIVABLES

	March 31, 2015
	$
Sale taxes receivable	1,916
Receivable from JDLP's 50% partner	283,699
	285,615

7. NOTE PAYABLE

As at March 31, 2015, the Company had a note payable to the seller of the Bader Road Lot for $209,055 (US$165,000). The note bears interest at 4% per annum, is due on June 26, 2016, and is secured by the Bader Road Lot property (Note 5). Interest payments are due every quarter subsequent to the issuance of the note. During the three months ended March 31, 2015, interest expense of $2,049 was paid.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2015
	$
Trade payables	44,537
Interest payable (Note 9)	176,298
Accrued liabilities	591,840
	812,675

(Unaudited - Expressed in Canadian dollars)

9. RELATED PARTY TRANSACTIONS

Key Management Compensation
Fees paid to the Company's management from October 17, 2014 to the period ended March 31, 2015 was $Nil.

Debenture
As at March 31, 2015, the Company had a debenture of principal of $7,051,914 ("Debenture') payable to KJ Enterprise, LLC, a private entity related to the Company's CEO. The Debenture bears interest at 10% per annum, is due on March 25, 2018 and is secured against all of the Company's interests in the U.S.A. In addition to the interest, the holder of the Debenture is also entitled to the following:

- a bonus of $400,000 upon the Company has earned its first net income of $1,000,000 from its operations;
- another bonus of $400,000 upon the Company has earned its second net income of $1,000,000 from its operations**.**

During the period ended March 31, 2015, interest expense $176,298 was accrued on the Debenture (Note 8)

As at March 31, 2015, the Company owed $528,405 to the CEO of the Company and his spouse.

The amounts owing to related parties are unsecured, non-interest bearing, and are due on demand.

10. FINANCIAL INSTRUMENTS

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	March 31, 2015
	$
Loans and receivables:	
Cash	994,245
Receivable from JDLP's 50% partner	285,615
	1,279,860

Financial liabilities included in the statement of financial position are as follows:

	March 31, 2015
	$
Non-derivative financial liabilities:	
Trade payables	44,537
Interest payable	176,298
Due to related party	528,405
Debenture	7,051,914
Note payable	209,055
	8,010,029

10. FINANCIAL INSTRUMENTS (Continued)

Fair value

The fair values of the Company's financial assets and liabilities approximates the carrying amounts either due to their short-term nature or because the interest rates applied to measure their carrying amount approximate current market rates.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company did not have financial instruments measured at fair value as at March 31, 2015.

11. SEGMENTS

Operating segments
The Company operates in a single reportable operating segment which is the acquisition and development of investment properties in the USA.

Geographic segments
All of the Company's non-current assets are located in the U.S.A.